

KANSAS

DEPARTMENT OF CORRECTIONS

HEALTH CARE SERVICES

TECHNICAL PROPOSAL
BID EVENT NUMBER: EVT0002279
September 16, 2013



105 Westpark Drive, Suite 200
Brentwood, TN 37027
www.corizonhealth.com

SIGNATURE SHEET

Item: Services, Health Care
Agency: Kansas Department of Corrections
Closing Date: June 28, 2013

We submit a proposal to furnish requirements during the contract period in accordance with the specifications and Schedule of Supplies. I hereby certify that I (we) do not have any substantial conflict of interest sufficient to influence the bidding process on this bid. A conflict of substantial interest is one which a reasonable person would think would compromise the open competitive bid process.

Addenda: The undersigned acknowledges receipt of the following addenda:

#1(X) #2(X) #3(X) #4(X) #5(X) #6(X)

Legal Name of Person, Firm or Corporation Corizon Inc.

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Mailing Address 105 Westpark Drive

City & State Brentwood, TN Zip Code 37027-5010

FEIN Number 43-1281312

Please Indicate Taxes Currently Registered in Kansas:

Corporate Income Tax () Sales Tax () Withholding Tax () Compensating Use Tax () None (X)

The undersigned attests this bidder is not in arrears in taxes due the State of Kansas.

Signature  Date July 3, 2013

Typed Name of Signature Jonathan Walker Title Senior Vice President & Chief Development Officer

If a contract and purchase orders are to be directed to an address other than above, indicate mailing address and telephone number below.

Address _____

City & State _____ Zip Code _____

Telephone (800) _____ Local _____ Fax _____

E-Mail _____



- Sophisticated business intelligence systems enabling us to identify trends and target high cost areas for continual improvement; and
- Use of technology as a tool to assist in better management and decision-making across all service areas including staffing and offsite care.

Managing Future Cost Savings

As the leader in the correctional health care industry, **Corizon is closely monitoring the potential impact of the Patient Protection and Affordable Care Act (PPACA)**, scheduled to go into effect on January 1, 2014 and its impact on the provision and cost of correctional health care. This sweeping federal legislation could have a significant impact on overall health care costs, **with specific applicability to corrections** through enhanced eligibility for Medicaid benefits for the incarcerated population. We have extensive experience in accessing Medicaid and other third party benefits for those incarcerated and have been actively pursuing Medicaid reimbursement for eligible offenders for the past five years. Although it is possible that specific components of the law may change prior to final implementation, we are very familiar with the law as currently written and are preparing for its impact.

As currently written, we expect this legislation to enable us to reduce future costs in the provision of correctional health care. At this time, we understand Kansas is not planning to participate in the expanded Medicaid eligibility portion of the law. As a result, we have not included any specific savings in our proposed pricing. As we get closer to the implementation of PPACA and perhaps even more importantly, once implemented, Corizon proposes to work with the KDOC to understand and measure the full financial impact and if applicable, reduce our contract price accordingly.

A KDOC/Corizon Partnership – Quality Care/Cost Savings

Corizon has built our clinical model for delivering correctional health care on the principles of evidence-based medicine, best practices, continuous quality improvement, utilization management practices and accreditation standards. Through a KDOC/Corizon partnership, we will **optimize clinical and economic outcomes** by identifying and treating the KDOC's offender patient's needs as early as possible, avoiding greater health deterioration and increased cost at a later time.

As a company, Corizon has targeted several "**Key Performance Indicators (KPI)**" for improvement across our contracts companywide with the objective of **driving program improvements and enhanced care**; thereby enhancing our ability to meet the budget expectations of each of our clients across the country. Corizon's current Key Performance Indicators follow:

1. **Clinical Improvement:** Measures how efficiently we manage chronic and debilitating diseases such as diabetes, Warfarin and HIV care.
2. **Inpatient Days per/1,000 Offenders:** Measures volume of offsite care with the goal of reducing unnecessary offsite trips.
3. **Emergency Department Visits per/1,000 Offenders:** Measures volume of offsite care with the goal of reducing unnecessary offsite trips.

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4. **Offender Patient Referrals per/1,000 Offenders:** Measures volume of physician specialty visits and other outpatient services with the goal of reducing unnecessary offsite trips.
5. **Premium Pay:** Measures how efficiently we are spending our labor dollars.
6. **Employee Turnover:** Measures how we are doing attracting and retaining our employees.

Our main focus on these KPIs is to create a “laser” focus and to target our collective improvement efforts in these areas in order to improve our chances of success in meeting client and budget expectations.

Achieving cost-effective operations with evidence-based clinical outcomes for the KDOC will require a team that can bring a breadth of resources and services that span the health care continuum, and a depth of “best practice” experience from other DOC systems. This level of experience will only come from a company as uniquely qualified as Corizon. We look forward to implementing each of these health care initiatives for the KDOC during the first year of our partnership.

DIFFERENTIATOR 5:

DEDICATION TO PROGRAM ACCOUNTABILITY AND CONTRACT TRANSPARENCY

DIFFERENTIATOR 5

The management team that Corizon proposes for the KDOC will be under the direct oversight of an experienced correctional health care professional, **Ralf Salke, RN, BSN, CCHP-A, Vice President of Operations**. Mr. Salke will bring his correctional health care management experience, which spans over 25 years and includes three (3) years as Corizon’s Regional Administrator for our previous contract with the KDOC from December 18, 1988 through June 1991. He will be responsible for direct client relationships and responding to all client inquiries from the KDOC, as well as Corizon’s adherence to contractual requirements.

Corizon’s Regional Management team for the KDOC will ensure the **availability and visibility of Corizon management personnel to the KDOC**. In addition to Mr. Salke, Gerald Jorgenson, MBA, BSN, CCHP will serve as Regional Vice President for our contract with the KDOC assuring the KDOC a level of expertise, correctional experience and leadership to manage the responsibilities of the KDOC contract. Mr. Jorgenson has 24 years of health care management experience in statewide correctional systems.

Corizon is pleased to propose a behavioral health services program to offenders within the KDOC using known experts such as **Dr. Mark Fleming, PhD, Dr. Mariann Atwell, Psy. D, Dr. Kurt Bumby, PhD, Dr. Michael Champion, MD and Scott Huntington, LPC, CSAC, ICS**. Each of these individuals has correctional health expertise in various areas including Mental Health Services, Sex Offender Services, Psychiatric Services and Substance Abuse Services. Resumes are provided in Attachment D and additional detail about our proposed behavioral health services program is provide in **Section 5.10 Services to be Provided – Behavioral Health**.

As illustrated throughout our proposal, Corizon is committed to forging a long-term partnership with the KDOC. Our intent is to approach the KDOC/Corizon partnership in a **very open, transparent and proactive manner**. We understand the need to be transparent and keep our clients informed as to the

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- Utilization Management Weekly Offsite Appointment Schedule
- All reports described in the RFP.

Corizon will also implement a “Client Report” for KDOC Central Office personnel. This report will include but not limited to the following topics:

- Staffing fill rates
- Census
- Turnover
- Medical encounters
- Hunger strikes
- Telemedicine encounters
- Specialty encounters
- Community hospital statistics
- Hospital admissions
- Hospital days
- Emergency room visits
- Injuries related to altercations
- HIV/AIDs
- Hepatitis C
- Mortalities
- Grievance Stats
- Audits / inspections
- Other, as requested by the KDOC.

This report is short narrative and can be customized any way the KDOC would like. Our current clients like this report because it is concise, accurate and can be used for quick reference at meetings, discussions, House/Senate testimonies, etc.

Corizon will also develop an annual report for KDOC or in conjunction with your annual report and provide at a minimum the above items rolled up over the Fiscal Year for KDOC. The client report will be delivered to the KDOC by the 10th day of the following month and the annual report completed with 90 days of the closing of the Fiscal Year. Corizon will also provide all Wardens and medical units a copy of the annual report as well.



Program Initiative

InGauge™ Business Intelligence and Data Mining

- ✓ Our business intelligence application, **InGauge™**, supports our efforts to quickly and accurately identify trends within our offender populations, enabling us to **minimize offsite care** and **deliver reduced healthcare and transportation costs to our clients.**
- ✓ The InGauge™ system will allow us to predict changes in acuity and unit cost for the individual contract sites that comprise the KDOC /Corizon Contract.

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Another goal for our KDOC/Corizon contract is to **predict changes in acuity and unit cost for our contract**. If chosen to partner with the KDOC, one of the new systems we will introduce to KDOC is our proprietary, state of the art **data mining application system**. Our business intelligence application, **InGauge™**, will support our efforts to quickly and accurately identify trends within the KDOC's offender population, enabling us to minimize offsite care and deliver reduced health care and transportation costs.



Corizon understands that objective analysis will be a critical part of sound decision making and our ability to forge a lasting partnership with KDOC. In order to facilitate this approach, Corizon will introduce InGauge™ to our client partnership within the first 18 months of our contract. Developed by Corizon, InGauge™ is a robust integrated data warehouse and business intelligence solution. InGauge™ incorporates all of the key data sources that are essential to evaluating quality, performance and opportunity.

Our InGauge™ Business Intelligence and Data Mining tool enables Corizon to keep our clients empowered with the data and information it takes to keep contract organizational priorities on track. As a Corizon client, KDOC will be able to easily access the most current and relevant information regarding the services we provide for each KDOC facility and its offender patients. Below is a brief description of the InGauge™ system and its capabilities.

Subject Areas

The InGauge™ data warehouse integrates information across the following key areas:

- Patient information, including age, gender, eligibility and location.
- Clinical management, such as inpatient authorizations and outpatient referrals.
- Medical claims, including provider, patient, diagnosis and procedure level detail.
- Labor and staffing statistics, including clinical and administrative positions.

Business Intelligence

This toolset provides us with a variety of options for data mining and reporting:

- A high-performance desktop reporting and analysis application.
- An internet-based access center with dashboard and report hosting.
- User friendly interfaces that facilitate a self service environment for accessing data.
- A robust security model to protect sensitive and confidential information.
- Scheduling and e-mail notification for automated deployment of time-sensitive reports.

Standard Reporting Capabilities

In addition to the tools described above, InGauge™ delivers a suite of standard reports that focus on the key drivers of healthcare utilization and cost. Many of these reports allow the user to alter a variety of parameters through simple menus and drag-and-drop features:

- Contract performance comparisons

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- ✓ Inpatient days/1000 and average length of stay
- ✓ Emergency department utilization
- ✓ Offsite referrals by Specialty
- ✓ Radiology by site of service and category (CT, MRI, X-ray)
- ✓ Lab testing
- Labor management analysis
 - ✓ Hours worked and salaries by position, shift and pay category (regular, OT, temp agency)
 - ✓ Budgeted labor schedules for real-time evaluation of performance
 - ✓ Turnover statistics by position and tenure
- Offsite medical trend analysis
 - ✓ Monthly claims and referral trends and year-over-year comparisons
 - ✓ Tabular and graphical views
 - ✓ Trends by service category (inpatient, ambulatory surgery, physician's office, etc.)
 - ✓ Hospital/Physician utilization and rate comparisons
 - ✓ Trends by diagnostic category

Samples screen shots and reporting and analytics from the InGauge™ system are provided in Attachment Z.

5.13.5 Accreditation

KDOC health care services are currently accredited by the American Correctional Association (ACA) and the National Commission on Correctional Health Care (NCCHC). The Contractor shall document and maintain compliance with ACA standards for adult correctional institutions and NCCHC standards for health services in prisons at all facilities. The Contractor shall be compliant and participate in Performance Based Medical Standards (PBMS) for Juvenile Facilities.

The Contractor shall be responsible for all costs associated with the NCCHC and ACA accreditation process and apply for re-accreditation as needed.

In the event KDOC elects not to participate in the ACA accreditation process, the Contractor shall continue to be responsible for providing health care in compliance with all ACA standards and maintaining ACA health care related documentation on-site at each facility. The Contractor shall be required to seek independent ACA accreditation if KDOC does not participate in the formal ACA on-site accreditation process.

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